

**STATE OF CONNECTICUT
PUBLIC UTILITIES REGULATORY AUTHORITY**

PURA IMPLEMENTATION OF	:	DOCKET NO. 18-08-33
SECTION 7 OF PUBLIC ACT 18-50	:	
	:	JANUARY 25, 2019

**WRITTEN COMMENTS OF
THE CONNECTICUT LIGHT AND POWER COMPANY
DBA EVERSOURCE ENERGY**

The Connecticut Light and Power Company dba Eversource Energy (“Eversource” or the “Company”) hereby submits the following Written Comments in response to the Notice of Request for Written Comments (“Notice”) issued by the Public Utilities Regulatory Authority (“PURA” or the “Authority”) on January 18, 2018. The Notice seeks information and written comments in response to the Authority’s Procedural Order stating the Authority will not continue to pursue the development of an Interim Residential Tariff (“IRT”) at this time, and will instead focus its efforts on establishing the post residential solar investment program (“RSIP”) residential tariff (“Post-RSIP Tariff”) that is required to be offered by the electric distribution companies (“EDCs”) at the expiration of the RSIP pursuant to Section 7(b)(2) of Public Act 18-50. Specifically, the Notice requests comments on the following topics, which Eversource addresses below.

Identify any critical tariff implementation details that need to be resolved to enable the EDCs to begin updating their metering and billing systems and administrative processes in order to implement the Post-RSIP Tariff. This may include the netting interval, issues related to the “buy-all, sell-all” structure, including whether a third-party payment structure shall be offered. Explain whether an Interim Decision issued by May 2019 addressing the issues identified will provide sufficient guidance to the EDCs to begin implementing the Post-RSIP Tariff requirements in time for the anticipated expiration of RSIP.

While the Company appreciates the opportunity to provide these comments, due to the complex nature of the issues identified in this proceeding and the expeditious turnaround of these written comments, the Company respectfully requests the opportunity to further refine and/or

supplement its comments to address estimates for costs and the timeframe for implementation. The Company could either (1) address any necessary supplemental comments in its written exceptions to the Proposed Draft Decision that will eventually be issued in this proceeding or (2) provide refinements to its cost and time estimates, as a compliance filing after the Authority issues a final decision. See Docket No. 14-07-19RE05, *PURA Investigation Into Redesign of Residential Electric Billing Format – Review of Summary Information, Implementation and Display*.¹

The Company anticipates that because of the many initiatives that must be simultaneously implemented during the calendar year, there may be impact to project timelines. The Company will need to coordinate these activities and may also have to supplement its resources and retain vendors and other technical support, in order to address all of the complexities required for successful implementation. Finally, as a result and consistent with other regulatory precedent, the Company may seek recovery of incremental costs associated with such implementation.

A. Critical Details Necessary for Resolution Prior to Implementation

The Company believes the structures it will implement, and the type of pricing to be applied for credits or payments under each structure must be determined prior to beginning design and implementation. The pricing for payments or credits applicable under a given structure impacts complexity on metering, billing and administrative processes required to implement that structure. Structures requiring more than a single, monthly price per kWh (e.g., time-differentiated pricing, on monthly or daily basis) increase requirements and the time to develop and implement various structures.

¹ See Brief of Eversource Energy dated 8/8/2018, Written Exceptions page 8; and Final Decision dated 12/19/18.

The rate structure most conducive to implementation in the near term is Real Time Netting (“RTN”). Based on assumptions and details available in August-September 2018, Eversource estimated that changes needed to implement RTN would take approximately nine months. The Company is further reviewing its estimates in light of system related projects currently underway or scheduled, and to reflect any other requirements. In terms of details needed at this time, clarity is needed on whether a single cents per kWh rate for calculating a monthly credit, and confirmation that such credit would apply on the customer’s monthly bill are important factors in developing a specification for billing and administrative process changes under this structure. It would also be important to know whether single monthly pricing would be required initially, and whether time-differentiated pricing would be subsequently required. The Company has assumed existing, bi-directional meters which provide measurement of monthly, metered export and import kilowatt hours would continue to be used in setting billing and credit determinants under this structure. As stated above, the Company anticipates completing revised estimates factoring in these details and proposes to supplement these comments with an update or file the same as a compliance filing or in written exceptions, as the Authority determines most appropriate.

Incorporating a third-party payment into a buy-all sell-all (BASA) structure is achievable but increases requirements and complexity and therefore time to develop and implement. As noted earlier, one detail to be determined is whether simple or more complex pricing (for payments in this case) is required, and when such pricing would apply. Details of this and the buy-all credit-all (“BACA”) structure were not been fully vetted during technical sessions, to date. At this juncture the Company has assumed an automated process for BASA payments and automated BACA on-bill credits would be implemented. Separate, non-interval production meters would also be implemented under either structure. The Authority’s confirmation and clarity of these structural requirements are important factors in designing and developing these

rates. The Company has also reviewed administrative and billing requirements in more detail, and identified changes needed to revenue accounting management, meter data collection, billing determinants, customer account management processes, bill composition and presentment, and annual payment and accounts payable processes. Systems affected included billing, customer relationship management, e-bill, a system to manage third party payments and accounts payable. A high-level estimate based on review of requirements and assumptions discussed above indicates developing and implementing BASA would take approximately 18-24 months. As with the RTN estimate, the Company is actively incorporating more details to revise this and the BACA estimate and anticipates providing updated estimates in a supplement, written exceptions or compliance filing as directed by the Authority.

Regarding a netting interval (other than real-time netting) and a potential daily netting (“DN”) or sub-daily netting (“SDN”) structure, the Company has further reviewed the requirements for these structures based on additional information obtained during technical sessions, comments and discussions with stakeholders participating in this proceeding. As noted earlier, and especially for intra-day netting, the type of pricing is a critical factor in setting requirements and specifications, and the development and implementation of this structure. Interval data and expanded or new processes for meter data collection, meter data management, billing and other system changes not already implemented come into play. Among details needed are the form of pricing for credits and whether a “phased approach” would be required; under any pricing scenario, confirmation/determination of whether an on-bill credit applies; and in the bigger picture determination of the actual DN or SDN structure that needs to be implemented. An underlying assumption is that for this structure a bidirectional interval meter will be required to capture imports and exports at the point of customer interconnection. Furthermore, a second production meter will be required, and the type of pricing that applies to

that meter, as well as how meter data and credit calculations will integrate with the netting, billing and payment processes.

Based on these requirements, the Company recognizes that to implement the DN and SDN structures additional meter data collection, management and associated billing, administrative and other processes will be required. While further specificity and details regarding these requirements are needed, the Company has determined that a complex billing solution is needed to support daily and hourly based rates. Changes required to implement this solution include core billing system modifications, bill format and presentment, e-bill and bill print modifications. Based on the assumptions discussed above the Company estimates development and implementation of this solution will take at least 24 months. The Company is also reviewing and will refine this estimate in a supplement, written exceptions or as a compliance filing, as directed by the Authority.

Any clarification or details from the Authority regarding scope and applicability will be factored into the Company's estimates.

B. Response to Connecticut Green Bank

The Authority also requested that the parties comment on the Connecticut Green Bank ("CGB") response to the Authority's Interim Residential Tariff Notice filed on December 17, 2018, where CGB proposes to extend the RSIP deadline (anticipated in October 2019) by either slowing the acceptance of RSIP applications short of the 300 MW goal, or by reducing the RSIP incentive to \$0 as the 300 MW goal approaches. Specifically,

"Provide any support or objection to such an approach, which would effectively allow for additional time for the Authority to issue a final decision on the residential tariff, beyond the current expected expiration of the RSIP in October 2019 and would keep in place the current monthly net metering offered to residential customers."

Eversource is supportive of the CGB's proposal to slow the acceptance of RSIP applications short of the 300 MW goal by either slowing the acceptance of applications or

reducing the RSIP incentive to \$0 as the 300 MW goal approaches. These proposals effectively would extend the timeline for the expiration of the RSIP, which is a trigger under Section 7. Eversource believes that the CGB's proposals are very creative and will allow the Authority the flexibility to create a schedule for implementation of a Post-RSIP tariff that takes into account the timeline and schedule necessary for the Company to implement appropriate structures, including addressing the netting interval that is directed by the Authority in this docket as well as the necessary billing and metering requirements, as discussed in the Company's response to question 1, above.

As to the Authority's point about keeping in place the current monthly net metering offered to residential customers, Section 7 anticipates that net metering will be available to customers until 2039, if they were enrolled in net metering prior to the effective date of the revised Program rules outlined in Section 7 and further designed in this docket. Therefore, any decision regarding the Post-RSIP tariff will only affect projects that enroll in net metering after July 1, 2019 and the effective date of the Post-RSIP Tariff.

CONCLUSION

The Company appreciates the opportunity to provide these comments and looks forward to the Authority's continued direction, in order for Eversource to proceed with its consideration of the manner in which it can successfully implement the directives of the legislation and the Authority's guidance.

Respectfully submitted,

**THE CONNECTICUT LIGHT AND POWER
COMPANY DBA EVERSOURCE ENERGY**

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CERTIFICATION

This is to certify that on this 25th day of January 2019, a copy of the foregoing was filed with the Authority and served upon each person designated on the official service list in this proceeding in accordance with R.C.S.A. § 16-1-15.

By: **Joaquina Borges**
King

Joaquina Borges King, Esq.